

General Information Letter: Information reports do not need to be filed with the Department of Revenue.

September 30, 1999

Dear:

This is in response to your letter dated August 25, 1999 requesting us to complete your 1999 State Information Reporting Questionnaire.

The State of Illinois no longer requires information reporting. Prior to August 20, 1995, the Illinois Income Tax Act ("IITA") required informational reporting on Form IL-1096 for the following types of income:

1. Certain rent and royalty payments (IITA Section 1405.1),
2. Certain payments made under contracts for personal services (Section 1405.2), and
3. Certain payments of prizes and awards (IITA Section 1405.3).

However, Public Act 89-399 eliminated the requirement to file informational returns for the above mentioned types of income. Enclosed please find a copy of the relevant sections of Public Act 89-399 which states that the reporting party is currently required to maintain a record of qualifying payments in a format that is available for review by the Department.

Currently the State of Illinois does not participate in the IRS Combined Federal/State Information Reporting Program. We therefore have no tape specifications, journal formats or forms for the purpose of filing informational reports associated with federal Form 1099 income.

Since your Questionnaire requests specifics about information reporting and we do not require such reporting by our taxpayers, we did not complete your survey. However, should you have any further questions, please do not hesitate to contact me at your convenience.

Sincerely,

Heidi Scott  
Staff Attorney -- Income Tax